QUESTIONS AND ANSWERS ABOUT CONNECTICUT'S NEW HOME CONSTRUCTION CONTRACTOR LAW

These question and answers are provided as a brief overview of the CT New Home Construction Act. The specific legal provisions of the law can be found in the <u>Connecticut General Statutes Chapter 399a.</u>

Q: Who needs to be registered?

A: Any person or business that builds a new home needs a registration, inclusive of speculative housing. Exceptions to the requirements are: homeowners applying for their own home construction; Realtors licensed and engaging in work under chapter 392; mobile home dealers and/or licensees covered under chapter 412; persons holding a professional or occupational license; registration or certificate, provided said person engages in work for which said person is licensed, registered, or certified; and new home construction contractors who engage in one or more contracts related to the same new home with an aggregate value of less than thirty-five hundred dollars.

Q: What is a new home?

- A: A new home is:
 - 1. a new single family dwelling,
 - 2. a new two family unit, or
 - 3. a new condominium unit.

Q: When are new home construction contractors required to register?

A: Anyone who engages in new home building or offers new home building services must have a valid certificate of registration.

Q: If I am already registered as a home improvement contractor, do I still need to register as a new home builder?

A: Yes. If you do both kinds of work, you need two registrations. However, if you hold a current home improvement registration, you do not have to pay the new home construction contractor initial application fee. **You do, however, have to pay the new home guaranty fund fee**.

Q: What information do new home builders have to provide to consumers prior to signing a contract?

- A: The new home builder must provide:
 - 1. A copy of the new home construction contractor's valid certificate of registration; and
 - 2. A written notice, in 10-point bold type, that contains the information shown on the following page.

Q: What information is required to be in the contract with the consumer?

A: Every contract must contain a provision advising the consumer that he or she may be contacted by prospective customers unless the consumer advises the builder, in writing, that the consumer prefers not to be contacted

Q: What information should I include in my advertising?

A: All advertising for new home building must contain your registration number. This includes ads in telephone directories, contracts, business cards, stationary, display ads, television, newspaper ads and vehicles.

Q: Do I need to be registered to take out building permits?

A: Yes. Building officials are prohibited from issuing building or construction permits to builders unless they receive a copy of the builder's valid certificate of registration. Registration exceptions are only for homeowners applying for their own home construction.

Q: What are the penalties for violating the new home building law?

A: Violators may be subject to revocation or suspension of their registration to work, civil fines of up to \$1500 per violation, and may be subject to arrest and criminal prosecution.

Q: Must salespeople be registered?

No.

STATE OF CONNECTICUT DEPARTMENT OF CONSUMER PROTECTION

http://www.ct.gov/dcp/

NEW HOME CONSTRUCTION CONTRACTOR REGISTRATION NOTICE

A CERTIFICATE OF REGISTRATION AS A NEW HOME CONSTRUCTION CONTRACTOR DOES NOT REPRESENT IN ANY MANNER THAT THE CONNECTICUT DEPARTMENT OF CONSUMER PROTECTION ENDORSES THE QUALITY OF THE CONTRACTOR'S NEW HOME CONSTRUCTION WORK OR THE CONTRACTOR'S COMPETENCY TO ENGAGE IN NEW HOME CONSTRUCTION. ACCORDINGLY, YOU ARE ADVISED TO:

REQUEST FROM THE CONTRACTOR A LIST OF EACH INDIVIDUAL OR THE FIFTEEN MOST RECENT INDIVIDUALS, WHICHEVER IS LESS, FOR WHOM THE CONTRACTOR HAS ENGAGED IN NEW HOME CONSTRUCTION IN THIS STATE DURING THE CURRENT AND PRECEDING CALENDAR YEAR.

- (2) CONTACT SEVERAL INDIVIDUALS ON THE LIST TO DISCUSS THE QUALITY AND THE TIMELINESS OF THE CONTRACTOR'S NEW HOME CONSTRUCTION WORK, AND,
- (3) CONTACT THE DEPARTMENT OF CONSUMER PROTECTION TO VERIFY THE REGISTRATION INFORMATION PRESENTED BY THE CONTRACTOR AND TO ASCERTAIN THE CONTRACTOR'S COMPLAINT HISTORY WITH THE DEPARTMENT.

IN ADDITION, YOU ARE ADVISED TO DISCUSS WITH THE NEW HOME CONSTRUCTION CONTRACTOR:

- (1) WHETHER THE CONTRACTOR HAS A CUSTOMER SERVICE POLICY AND IF SO, THE INDENTITY OF THE PERSON DESIGNATED TO ASSIST YOU IN RESOLVING ANY COMPLAINT ABOUT THE CONTRACTOR'S WORK, AND,
- (2) WHETHER THE CONTRACTOR WILL HOLD YOU HARMLESS FOR THE WORK PERFORMED BY ANY SUBCONTRACTOR HIRED BY THE CONTRACTOR.

THIS NOTICE DOES NOT CONTAIN AN EXHAUSTIVE LIST OF THE INQUIRES YOU SHOULD MAKE BEFORE CONTRACTING WITH A NEW HOME CONTRACTOR. ADDITIONAL INFORMATION TO ASSIST YOU IN YOUR SELECTION OF A NEW HOME CONSTRUCTION CONTRACTOR MAY BE OBTAINED BY CONTACTING THE CONNECTICUT DEPARTMENT OF CONSUMER PROTECTION.



STATE OF CONNECTICUT DEPARTMENT OF CONSUMER PROTECTION

FOR OFFICIAL US	SE ONLY
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Date

APPLICATION FOR NEW HOME CONSTRUCTION CONTRACTOR

Date

Signature of Applicant

Sec. I Business Inform	ation. Please type	or print								
Name of Contractor or Busine	ess Entity									
Trade (DBA) Name										
Street Address							PO Box	K		
City				State			Zip Code			
Telephone Number	Date of Birth	Social Security #		ı	Have you filed a Tr located?	rade Name	Certificate Yes	at the Town Cleri	k's Office where your business i Not Necessary	
If you are using an answering	service or mail drop i	dentify the name and	d address of	f this	s service:				·	
Name	•	Address (Street,								
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	artnership orporation		Limited	Lia	bility Partnei	rship				
Sec. III Additional Info	_	ons Associated wit	th Owners	hip	(Corporate Of	ficers/P	artners/l	LLC /LLP N	Members)	
Name						Title				
Street Address			City					State	Zip Code	
Business Phone		Social Security #				Date of	f Birth			
Name						Title				
Street Address			City					State	Zip Code	
Business Phone		Social Security #			Date of Birth					
Name						Title				
Street Address		_	City					State	Zip Code	
Business Phone		Social Security #				Date of Birth				
 Sec IV Relevant Inform Have any court judgm you, as a result of your If yes, what state? disposition and attach Has the applicant, or a If yes, please attach a state in the s	ents or administrati r new home constru Pleas it to this applicatio ny of the partners o	ction or home imp e provide, on a sep n. er corporate officer	rovement parate she	acti et, a	ivities in any a written state onvicted of a	state? ement of felony	of the faction of the	Yes Incts includi	No ing the	
description of the circu	_				h ama a amatmu	.ation o		a 9		
3. List the name and addr	ess of your madfilly	msurance carrier	ioi youi II	GW.	nome constru	iction a	cuville	ð:		
4. Does the applicant cur 4a. Years Held?	rently hold a Conne	ecticut Home Impre 4b. Registr				stration	? Y	es No		
Sec. V Certified States	<u>ment</u>									
I CERTIFY, UNDER PENALT OF MY KNOWLEDGE.	TY OF LAW THAT TH	IE ABOVE PROVID	ED INFOR	RMA	TION IN THIS	S APPLI	ICATIO	N IS THE T	RUTH TO THE BEST	

Signature of 2nd Applicant

NEW HOME CONSTRUCTION CONTRACTOR APPLICATION INSTRUCTIONS

Checks or money orders should be made payable to: "TREASURER, STATE OF CONNECTICUT"

Registration Fees: (\$120.00 Registration Fee/\$480.00 Guaranty Fund Fee Prorated Quarterly) BIENNIAL REGISTRATION

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If your application is <u>received</u> by this Department	Your payment is:							
between:								
	REGISTRATION FEE	GUARANTY FUND FEE	TOTAL FEE	EXPIRATION				
October 1, 2003 - March 31, 2004	\$120.00	+ \$480.00	= \$600.00	9/30/2005				
April 1, 2004 - September 30, 2004	\$ 90.00	+ \$360.00	= \$450.00	9/30/2005				
October 1, 2004 - March 31, 2005	\$ 60.00	+ \$240.00	= \$300.00	9/30/2005				
April 1, 2005 - September 30, 2005	\$30.00	+ \$120.00	= \$150.00	9/30/2005				

^{**} If you currently hold a valid home improvement registration and <u>are applying as the same legal entity</u>, you do not have to pay the initial new home construction contractor **REGISTRATION** fee. You must, however, pay the new home construction **GUARANTY FUND**

If you are applying as an INDIVIDUAL, complete:

SEC I. <u>Business Information.</u>

Print your business information and the business name you represent if appropriate.

* If your business and residence address are different, complete your business address and add your personal residence address to Section III.

SEC II. Organizational Structure. Check "Sole Proprietorship"
SEC IV. Relevant Information. Answer all questions listed.

If you are applying as a PARTNERSHIP, complete:

SEC I. <u>Business Information.</u> Print your business information.

SEC II. Organizational Structure. Check "Partnership"

SEC III. Additional Information Complete the personal information and residence address for each partner.

SEC IV. Relevant Information. Answer all questions listed.

SEC V. <u>Signature</u>. Each partner must sign.

If you are applying as a CORPORATION or LIMITED LIABILITY COMPANY or LIMITED LIABILITY PARTNERSHIP, complete:

SEC I. <u>Business Information.</u> Print your business information.

SEC II. <u>Organizational Structure.</u>

Check "Corporation" and provide Federal Identification Number.

Check "Limited Liability Company" and provide Federal Identification Number. Check "Limited Liability Partnership" and provide Federal Identification Number.

SEC III. Additional Information Complete the personal information for corporate officers, LLC or LLP members;

SEC IV. Relevant Information. Answer all questions listed.

SEC V. Signature. At least one (1) Corporate Officer, LLC or LLP Member must sign.

PLEASE NOTE:

1. **Completed** application and payments can be <u>mailed</u> to:

Department of Consumer Protection, License Services Division, 165 Capitol Avenue, Hartford CT 06106

- 2. Please allow approximately two weeks for processing, issuing, printing, and mailing of your registration card if your application is complete when received. During this period, you are **NOT REGISTERED**.
- 3. You must notify the Department in writing of any change of address or change of business name.
- 4. You must include your registration number in any advertisement you place.
- 5. Registration certificates are **non-transferable**.
- 6. The failure to receive a notice of expiration or a renewal application does not exempt you from the obligation to renew.

→ UNTIL YOU RECEIVE YOUR REGISTRATION, YOU MAY <u>NOT</u> ACT AS A NEW HOME CONSTRUCTION CONTRACTOR

To obtain additional information, please contact:

Department of Consumer Protection: WebSite: <u>www.ct.gov/dcp/</u>

Trade Practices Division (860) 713-6110 Email: tradepractices@po.state.ct.us

Certificate of Authority for Out of State Corporations: Secretary of State, 30 Trinity St., Hartford, CT 06106

(860) 509-6200 or www.sots.state.ct.us/

> State Tax Number: Department of Revenue Services, 25 Sigourney St., Hartford, CT 06106

(860) 297-4885 or www.ct.gov/drs/